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Food Marketing NEWSLETTER

PRODUCTION AND MARKETING ADMINISTRATION

MIDWESTERN AREA - OFFICE OF INFORMATION SERVICES --- 623 S. WABASH AVE., CHICAGO 5, ILLINOIS.

U. S. DEPARTMENT OF AGRICULTURE

September 2, 1953

GRAINS

The 1953-54 supply of all feed concentrates, including feed grains, by-products feeds, and an allowance for wheat and rye feeding, estimated by BAE at 176 million tons--nearly 8 million tons more than for 1952-53 and, only slightly below the 1950-51 record. The 1953 production of feed grains estimated to total 122 million tons; carryover, 28 million tons.

Corn stocks for coming year, including carryover and 1953 crop, estimated as of August 1 at 4,130 million bus.; oats, July 1, 1,487 million bus.; barley, 311 million bus.; sorghum grain, October 1, 117 million bus.

U.S. sales under International Wheat Agreement August 19 through 25 totaled 1,979,000 bus. (including 83,377 cwt. flour in wheat equiv.). Cumulative U.S. sales against 1953-54 quotas, 16,455,000 bus.

PMA Commodity Offices report following sales week ended August 27 from price support inventories: corn, 1,957,922 bus.; wheat, 70,800 bus.; oats, 26,868 bus.; soybeans, 5,316 bus.; barley, 4,000 bus.; rye, 1,700 bus.; flaxseed, 5,100 bus.; dry edible beans, 18,920 cwt.; cotton linters, 20,518 bales; cottonseed meal, 11,225 tons; allocated for drought relief, cottonseed meal, 13,999 tons. Included in above sales are 18,159 cwt. dry edible beans and 65,000 bus. corn sold for export.

USDA August 31 withdrew its offer to sell CCC-owned cover crop, hay and pasture seeds totaling 23,217,000 lbs. for export on a negotiated price basis. No acceptable bids were received.

PRICE SUPPORT ELIGIBILITY FOR 1953-CROP RYE PRODUCED IN MINNESOTA AND NORTH AND SOUTH DAKOTA WAS BROADENED BY USDA AUGUST 31 TO INCLUDE RYE OF LOWER TEST WEIGHT WHICH IS SAFELY STORABLE AND IS SUITABLE FOR FEED. SPECIFICALLY, SUPPORT EXTENDED TO RYE GRADING NO. 1 OR "SAMPLE" ON FACTOR OF TEST WEIGHT ONLY, BUT OTHERWISE GRADING NO. 2 OR BETTER AND HAVING TEST WEIGHT OF NOT LESS THAN 40 LBS.

FARM INCOME

U.S. farmers received \$15 billion from marketings first 7 months of 1953--6% less than in same 1952 period. Prices received averaged 10% lower, but volume of marketings was up. Receipts from livestock and products, about \$9.6 billion, were 8% less than 1952 due to severe price drop although marketings were much greater. Dairy receipts were down slightly, poultry and eggs up a little. Receipts from crops, \$5.4 billion, were down 4% from last year.

DROUGHT AID PROGRAM

State committees in the Southwest drought area have ordered following quantities of feeds under USDA's emergency aid program: cottonseed meal and products, 320,492 tons; wheat, 260,000 bus.; corn, 5,136,000 bus.; oats, 6,908,000 bus. Shipments to the dry areas by PMA Commodity Offices through August 28: cottonseed meal and products, 187,978 tons; wheat, 243,000 bus.; corn, 3,544,000 bus.; oats, 4,661,800 bus.

USDA HAS ANNOUNCED, EFFECTIVE SEPTEMBER 1, REVISION OF THE COMMERCIAL SALE PRICE FOR CCC-OWNED WOOL ACQUIRED UNDER THE 1952 PRICE SUPPORT PROGRAM. REVISED PRICES MORE IN LINE WITH CURRENT WOOL MARKET PRICES. CCC OWNS ABOUT 100 MILLION LBS. OF WOOL AFFECTED BY REVISION OF SALES' PRICES. COMPLETE DETAILS FROM PMA COMMODITY OFFICE, BOSTON, MASSACHUSETTS OR AREA WOOL APPRAISAL OFFICE, PMA, CHICAGO, ILLINOIS.

DAIRY

Import Regulation 1 has been amended by USDA to clarify intent that outlying areas of Virgin Islands, American Samoa, Canal Zone and Island of Guam are exempted from its' provisions and, to emphasize provisions that license applications for butter and cheese will only be acceptable if the commodity is bought in a country having a quota and is exported directly to the U.S.

USDA purchases of dairy products for price support April 1 through August 31: butter, 212,752,372 lbs.; cheese, 176,057,522 lbs.; nonfat dry milk solids, 319,619,835 lbs.

LIVESTOCK AND MEATS

Cattle slaughter continues at a record rate. Seasonal advance in prices this summer was short-lived, and prices are headed downward again. Prices lower grade cattle, particularly grass feds from range country, have dropped more than higher grades. Latter expected to continue to show most strength as slaughter supplies drop to levels of year ago. Heavy marketings of grass fed stock expected to continue through October and, with outlets for these lower grades limited, prices will be held down, according to BAE's Agricultural Outlook Digest.

Nation-wide campaign by USDA, in cooperation with the Livestock Industry and food distributors and services, to promote increased consumption of lower grades of beef is underway, to continue through next two months or more. With prices on these grades of beef very reasonable, increased consumption may provide the needed market outlet to maintain a fair and stable price for the lower grades of livestock.

USDA bought 11,601,580 lbs. of beef products last week under program to support market for lower grades of beef cattle.

Meat produced under federal inspection week ended August 29 estimated 341 million lbs., 4% over preceding week, and 9% more than corresponding week of 1952. Liberal movement of fed cattle and increased marketings of grass feds resulted in largest weekly slaughter since end of price control in October, 1946. Output included (in million lbs.): beef, 193.9; veal, 20.6; pork, 114.4; lamb and mutton, 12.3.

* * *

FRUITS AND VEGETABLES

Total output of deciduous fruits this year estimated about same as 1952, based on August 1 prospects. More apples, peaches, apricots, sour cherries, plums, prunes and cranberries--less strawberries, grapes and sweet cherries--pear crop about the same. Processing demand expected strong since carryover stocks of some major items are down. Prices September and October about same as year ago, BAE estimates.

Acreage and production guides for 14 winter vegetables to be marketed first three months of 1954, announced by USDA. Total acreage 239,700, about 5% less than harvested in 1953. Guides suggest acreage increases for snap beans, shallots, and spinach, same acreage as 1953 for lima beans, and reductions for rest.

IMPROVED METHODS CUT COSTS OF HANDLING APPLES AT PACKING PLANTS IN HALF, STUDY BY USDA IN WASHINGTON STATE, INDICATES. REPORT "APPLE HANDLING METHODS AND EQUIPMENT IN PACIFIC NORTHWEST PACKING AND STORAGE HOUSES" MAY BE PURCHASED FROM GOVERNMENT PRINTING OFFICE, WASHINGTON 25, D.C. FOR \$1.50.

* * *

AGRICULTURAL PRICES

Index of prices received by farmers for their products declined one point (0.4 of 1%) in month ending August 15. The Index, at 258% of 1910-14 average (100), was 13 percent (37 points) below August, 1952. Prices of many commodities, including cattle, hogs, and lambs dropped during the month. Prices for milk, eggs, cotton and lettuce were higher.

Parity index (prices paid by farmers) remained unchanged at 278% of 1910-14 average. Prices of family living items rose to all time high but cost of items used in farm production dropped slightly.

Here are average prices received for major farm products August 15 in terms of percentage of parity: wheat, 76%; corn, 83%; cotton, 95%; potatoes, 57%; all milk, wholesale, 92%; oats, 81%; flaxseed, 71%; soybeans, 87%; beef cattle, 78%; calves, 72%; chickens, 83%; eggs, 98%; hogs, 88%; sheep, 61%.

* * *

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U. S. DEPARTMENT OF AGRICULTURE
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CURRENT SERIAL RECORD

★ OCT 28 1953 ★

September 9, 1953

COMMODITY CREDIT CORPORATION

CCC-owned commodities available for domestic sale during August: nonfat dry milk solids, butter, cheddar cheese, raw linseed oil, crude and refined cottonseed oil, cottonseed meal, olive oil, peanuts, dry edible beans, flaxseed, barley, rye, soybeans, oats, corn, wool, and 15 grass and cover crop seeds. These commodities also available for export at the specific domestic prices.

Commodities available for export sale at specific export prices: crude and refined cottonseed oil, raw linseed oil, olive oil, peanuts, corn, flaxseed, and soybeans.

Sales from the domestic list January 1 through August 7 totaled \$64,974,328. Export sales in the same period totaled \$71,003,796.

LIVESTOCK AND MEATS

USDA purchases of beef products last week totaled 7,935,835 lbs. under program to improve market outlets for lower grades of beef cattle. Acquisitions under various programs now total 75,592,675 lbs.

Meat production in U.S. commercial plants (federally inspected and other, except farm) January 1 through July, 1953 amounted to 13,023 million lbs., 9% above the same 1952 period. Beef output in the 7 months, 6,702 million lbs. was 30% above 1952; veal, 744 million lbs., up 39%; lamb and mutton, 402 million lbs. up 17%; pork, 5,175 million lbs., down 13%.

MEAT PRODUCTION UNDER FEDERAL INSPECTION WEEK ENDED
SEPTEMBER 5 ESTIMATED AT 324 MILLION LBS., DOWN 5%
FROM PRECEDING WEEK BUT 16% ABOVE CORRESPONDING WEEK
OF 1952. WEEK'S OUTPUT INCLUDED (IN MILLION LBS.):
BEEF, 189.5; VEAL, 21.0; PORK, 101.8; LAMB AND MUTTON,
12.0.

GRAINS

U.S. sales under International Wheat Agreement August 26 through September 1 totaled 806,000 bus. (including 209,089 cwt. flour in wheat equiv.). Principal importers were Germany, Norway, Netherlands and Phillipines. Cumulative U.S. sales under 1953-54 quotas through September 1, 17,261,000 bus.

Wyoming has been added to states where 1953-crop wheat price support program has been relaxed, on account of stem rust damage to wheat.

Applications for grain storage use guarantees must be submitted to PMA county or state committees not later than September 30. Under program to encourage construction of commercial grain and oilseed storage facilities, CCC undertakes to guarantee the use of such facilities. Large number of applications have been received by PMA offices.

PMA Commodity Offices report following sales week ended September 3 from inventories acquired under price support: corn, 2,718,652 bus.; wheat, 153,500 bus.; oats, 34,486 bus.; soybeans, 67,557 bus.; dry edible beans, 96 cwt.; flaxseed 18,296 bus.; cotton linters, 9,333 bales; peanuts, 2,609,722 lbs. for edible use, and 3,052,270 lbs. for oil crushing. Included in above sales are 100,000 bus. wheat and 632,535 bus. corn sold for export.

COTTON

The 1953 cotton crop is forecast at 15,159,000 bales, basis September 1 conditions --- 3.8% or 554,000 bales more than indicated in August 1 forecast. This compares with 1952 crop of 15,136,000 bales, and 10 year average of 12,215,000 bales.

Supply of cotton for marketing year beginning August 1 now indicated around 20.7 million bales. Includes 1953 crop, plus carryover of 5.5 million bales and imports of 200,000 bales.

CCC is discontinuing its sales of cotton linters in order to allow new-crop linters to move freely into normal trade channels, and to prevent excessive deliveries of linters to CCC under the 1953 cottonseed products purchase program.

REPRESENTATIVES OF THE POTATO INDUSTRY WILL MEET IN
WASHINGTON OCTOBER 22-23 TO DISCUSS PROBLEMS FACING
PRODUCERS AS RESULT OF LARGE CROP TO BE HARVESTED
THIS YEAR. GROWN IN EVERY STATE, POTATOES ARE
NATION'S MOST IMPORTANT VEGETABLE CROP. AUGUST 1
INDICATED 1953 CROP 383 MILLION BUS., WELL IN
EXCESS OF NATIONAL REQUIREMENTS.

TOBACCO

Cigarette output in the U.S. during the year ending June 30 estimated at 437 billion--14 billion above the preceding year. Tax paid consumption during year accounted for nearly 397 billion -- 3.5% more than in 1951-52. Most of tax-free cigarettes shipped for use of overseas forces or as commercial exports. Consumption in year ahead expected to exceed 1952-53.

Cigar consumption same period, slightly over 6 billion, 3.5% above preceding year and second largest since 1930-31. In addition 94 million tax-free cigars were shipped to overseas forces.

Output of smoking tobacco dropped to 92 million lbs., 6% below the preceding year and the lowest since the 1900's. Chewing tobacco at 83.7 million lbs. was 2.3% below 1951-52 and at a new low. Snuff, 38 million lbs., was down 2.5%.

Exports of unmanufactured tobacco from the U.S. in year ended June 30 totaled 448 million lbs., export weight, -- valued at \$285 million. The shipments were 14% below 1951-52, due largely to 52% decline in UK takings. Exports during 1953-54 expected to equal or slightly exceed 1952-53.

* * *

DAIRY

USDA has allocated additional 50 million lbs. of nonfat dry milk solids for donation to U.S. private welfare agencies for distribution to needy in U.S. and overseas. Department made 100 million lbs. available for domestic and foreign relief in May. Through August 28, 16 private welfare agencies had ordered 52 million lbs. for distribution to needy in 34 foreign countries.

July production nonfat dry milk solids totaled 113.2 million lbs., highest output for month in 19 years of record. Month's production dry whole milk amounted to 10.2 million lbs.; evaporated milk, 264.5 million lbs.; condensed whole milk, 2.7 million lbs.

USDA purchases of dairy products for price support April 1 through September 8: butter, 216,069,832 lbs.; cheese, 183,195,936 lbs.; nonfat dry milk solids, 329,768,818 lbs.

* * *

SUGAR DISTRIBUTION BY PRIMARY DISTRIBUTORS FOR
U.S. CONSUMPTION JANUARY 1 THROUGH JULY, 1953
(INCLUDING U.S. MILITARY FORCES AT HOME AND
ABROAD) TOTALLED 4,846,592 TONS. THIS COMPARES WITH
4,835,619 TONS IN SAME 1952 PERIOD.

* * *

FATS AND OILS

Peanuts held in off-farm positions July 31 totaled 423 million lbs., (equiv. farmers' stock basis), largest stocks any year of record back to 1939. Millings for all purposes to date total 1,123 million lbs., compared with 1,277 million lbs. a year earlier and 1,636 million lbs. through July 31, 1951.

Peanut crop this year estimated August 1 at 1,377 million lbs., slightly above 1952; compares with 1942-51 average of 2,063 million lbs.

New Orleans PMA Commodity Office is offering shelled peanuts for export for crushing, packed in 115-125 lb. bags, basis f.a.s. vessel at specified port. Offers to buy should be directed to Director, PMA Commodity Office, USDA, Wirth Building, 120 Marais St., New Orleans, 16, La.

Bureau of Census reports January-July 1953 production of margarine totaled 730,249,000 lbs. This compares with 721,428,000 in same 1952 period. Of 1953 output, 690,730,000 lbs. were colored.

U.S. EXPORTS OF LARD JANUARY THROUGH JUNE 1953
TOTALLED 120,017 SHORT TONS, DOWN 40% FROM SAME
6 MONTHS OF 1952. INCREASED EUROPEAN AND
MEXICAN PRODUCTION AND LIMITED DOLLAR EXCHANGE
RESPONSIBLE FOR SHARP DROP.

* * *

FERTILIZER

American farmers, gardeners and lawn-keepers used 22,432,418 tons of fertilizers in 1951-52, an all-time record and 1,441,024 tons more than year preceding.

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U. S. DEPARTMENT OF AGRICULTURE

September 14, 1953

FARM CROPS--1953

Hot weather in August and lack of rain in some areas caused a slight decrease in volume of prospective crop production in 1953, USDA's Crop Reporting Board stated.

Corn prospects dropped 114 million bus. during August to 3,216 million bus.; wheat output dropped to 1,169 million bus., due to stemrust and hot dry weather which cut expected production of durum and other spring wheat nearly 34 million bus. from August 1 forecast.

Yield prospects improved during the month for rice, sorghum grain, cotton, dry beans, dry peas, peanuts, sugar cane and beets, and sweet potatoes. Along with corn and wheat, expected outturns were lowered for oats, barley, flaxseed, soybeans, all hay, potatoes, tobacco, apples, peaches, pears, and grapes.

Declines in prospects more than offset the increases and the index of all-crop production for the year dropped to 130% of the 1923-32 base. Total volume is still large--exceeded only by 132% in 1952 and the record 135.5% of 1948.

"IMPROVING THE PERFORMANCE OF RETAIL FOOD STORE CASHIERS THROUGH BETTER TRAINING," TITLE OF RECENT PUBLICATION BY U.S. DEPARTMENT OF AGRICULTURE, BASED ON EXPERIMENTS IN TRAINING CASHIERS FOR GREATER EFFICIENCY. AVAILABLE FREE FROM PRODUCTION AND MARKETING ADMINISTRATION, U.S.D.A., WASHINGTON 25, D.C.

FRUITS AND VEGETABLES

USDA has proposed issuance of U.S. Standards for Grades of Frozen Concentrate for lemonade, first to be formulated by the Department for this product. Interested persons have until September 21 to submit views or comments to Fruit and Vegetable Branch, PMA, USDA, Washington, D.C.

Acreage and production guides for 14 winter vegetables to be marketed first three months of next year, announced by USDA. Total acreage 239,700, about 5% less than harvested in 1953. Guides suggest acreage increases for snap beans, shallots, and spinach, same acreage as 1953 for lima beans, and reductions for the others.

New standards for fresh tomatoes went into effect this week. Represent minor changes from old standards in effect since 1949.

FARM INCOME

U.S. farmers received about \$17.7 billion from marketings in first 8 months of 1953--16% less than in the same 1952 period. Volume of marketings was larger than last year but prices average 10% lower.

Receipts from livestock and products estimated \$11 billion --7% less than corresponding months of 1952. Sharp drop in cattle average prices held receipts from meat animals 13% below last year. Dairy receipts dropped 5% but cash income from poultry and eggs was 11% larger due to higher prices.

Cash receipts for crops from January through August were \$6.7 billion, down 4% from last year, largely because of price declines.

POULTRY

U.S. farm flocks laid 4,346 million eggs in August, a record for the month, 5% more than August 1952, and 12% above the August 1942-51 average. Rate of production in August was 14.7 eggs per layer, compared with 14.0 in August 1952 and average rate of 13.1 eggs. Flocks totaled 295,769,000 layers, about same as last year but 1% under the August average.

Potential layers on farms September 1 (including pullets not of laying age) numbered 525,702,000, 1% above last year but 8% below August average.

TURKEY INDUSTRY ADVISORY COMMITTEE MEETING IN WASHINGTON HAS ADVISED AGRICULTURE SECRETARY BENSON THAT IT DOES NOT FORSEE UNUSUAL DIFFICULTIES IN MARKETING THE 1953 TURKEY CROP AT SATISFACTORY PRICES.

COLD STORAGE REPORT

USDA's cold storage holdings report shows August 31 stocks of 333 million lbs butter, 400 million lbs cheese above record totals month earlier. Case eggs at 826,000 only one-third as large as August 31 average; frozen egg stocks about one-fifth under average. Stores of 537 million lbs. meat down one-fourth from year earlier; beef stocks at 143 million lbs. down 9 million lbs.; pork at 268 million lbs. off 83 million. Stocks 47 million lbs. frozen turkey at near record high, but holdings all poultry one-eighth under stocks year earlier, one-sixth above August 31 average.

* * *

NEARLY 26 MILLION ACRES OF U.S. SOIL ARE NOW UNDER IRRIGATION, ACCORDING TO 1950 CENSUS OF AGRICULTURE. OF TOTAL, 24.3 MILLION ACRES ARE LOCATED IN 17 WESTERN STATES, WITH CALIFORNIA REPORTING 6.5 MILLION ACRES. FROM 1940 TO 1950, 8 MILLION ACRES ADDED TO IRRIGATED AREA IN WESTERN STATES.

* * *

NATIONAL SCHOOL LUNCH

Funds for operation of National School Lunch programs totaling \$67,010,000 have been apportioned to States and Territories September 1. Midwest states received following shares (in \$1,000): Illinois, 2,443; Indiana, 1,459; Iowa, 1,152; Kentucky, 1,951; Michigan, 2,282; Missouri, 1,528; Minnesota, 1,268; Nebraska, 533; North Dakota, 312; Ohio, 2,559; South Dakota, 284; Wisconsin, 1,305.

In addition, \$15 million is available from Congressional appropriation to purchase, for distribution to schools, of foods meeting childrens' nutritional requirements.

* * *

DAIRY

Milk production on U.S. farms during August estimated at 10,494 million lbs., about 2-1/2% above August 1952, due largely to more cows.

Twenty-five million lbs. nonfat dry milk powder sold to the United Nations International Children's Emergency Fund, at 1¢ per lb. Will be used in child feeding programs and emergency relief in many foreign countries.

Cumulative purchases of dairy products by USDA since April 1: butter, 215,993,068 lbs., decrease of 256,446 lbs.; cheese, 187,822,819 lbs., decrease of 29,239 lbs.; dry milk solids, 335,103,607 lbs.

* * *

LIVESTOCK AND MEATS

USDA last week bought 10,740,000 lbs. canned beef at average of 38.92 cents plus 1,763,000 lbs. hamburger at average of 35.12 cents to be distributed to school lunch and other eligible outlets. USDA also bought substantial amounts of canned beef for shipment to Germany, with exact amounts to be announced later.

USDA has loaned \$4,777,000 to 547 drought-stricken livestock producers under emergency loan program; 541 other applications on hand. Farmers in drought area have requested 340,368 tons of cottonseed feed, 2,848 carloads of corn, 166 cars of wheat, 3,346 cars of oats, under government program of selling feed at reduced prices.

To aid in orderly marketing of lambs, Secretary of Agriculture extended grazing season on National Forest lands by 15 days, to September 30. Most of added grazing will be in Rocky Mountain states.

* * *

MEAT PRODUCTION UNDER FEDERAL INSPECTION WEEK ENDED SEPTEMBER 12 ESTIMATED AT 293 MILLION LBS., 10 PERCENT BELOW PREVIOUS HOLIDAY WEEK, 8 PERCENT UNDER YEAR EARLIER. LABOR DAY INTERRUPTED MARKETINGS AND JEWISH HOLIDAYS FURTHER REDUCED SLAUGHTER TO BRING VOLUME OF ALL SPECIES CONSIDERABLY BELOW PREVIOUS WEEK.

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U. S. DEPARTMENT OF AGRICULTURE

September 23, 1953

PLENTIFUL FOODS

USDA list of Plentiful Foods for Midwest in October: Beef, honey, cheese, potatoes, turkeys, stewing chickens, dairy products, onions, carrots, cabbage, squash, raisins, salad oils and shortenings.

Beef, cheese and honey receiving special promotion by association of producers, enlisting cooperation of food stores, food editors and broadcasters, special advertising and publicity.

AVERAGE AMERICAN WILL SET NEW RECORD FOR EATING BEEF THIS YEAR BECAUSE OF LARGE SUPPLY OF BEEF CATTLE AND HEAVY MARKETINGS. PER CAPITA CONSUMPTION OF ALL KINDS OF MEAT EXPECTED TO BE ABOUT FIFTH HIGHEST ON RECORD.

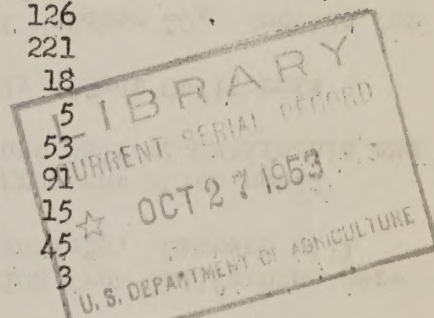
GRAINS

George D. Bradley resigns this week after 11 years as Director of Chicago Commodity Office of FMA, custodian of billion dollars worth of grains, butter and other farm products acquired through government price support. Will return to Indiana farm after 16 years in USDA.

Distribution of 16,520 government grain bins and Quonset-type buildings, with capacity of 96 million bushels, announced this week. Bins now being erected, principally to accommodate 1952 crop corn surrendered by farmers to satisfy price support loans, thus making room for new corn crop in farmers' corn cribs and country grain elevators.

Distribution of additional bins with new total government storage:

<u>State</u>	<u>New Capacity</u>	<u>Total Government Storage</u>
	(Figures to nearest million bushels)	
Illinois	11	126
Iowa	53	221
Kansas	.3	18
Michigan	5	5
Minnesota	11	53
Nebraska	11	91
Ohio	.1	15
South Dakota	4	45
Wisconsin	2.3	3



Wheat growers put 118 million bushels of 1953 crop wheat under government price support through August 15. Year ago on same date, 169 million bushels under support. Growers may put wheat under support until next January 31.

U.S. sold 2,391,000 bushels of wheat under International Wheat Agreement during September 9-15. Cumulative sales under new agreement since end of June 23, 677,000 bushels, about half to Japan.

PMA Commodity Offices last week sold following commodities: corn, 2,066,252 bus.; wheat, 51,452 bus.; soybeans, 263,937 bus.; barley, 2,709 bus.; oats, 17,493 bus.; flaxseed 10,909 bus.; peanuts, 7,119,989 lbs.

ADDING 3% YEAST OR OAT FLOUR TO CANDIES CONTAINING DAIRY BUTTER KEEPS THEM FRESH MORE THAN THREE TIMES AS LONG AS CANDIES WITHOUT INGREDIENT. NEW RECIPE WILL TRIPLE SHELF-LIFE OF CANDIES CONTAINING BUTTER. DETAILS IN AIC-347 "ANTIOXIDANTS - RESEARCH SUMMARY NO. 1", AVAILABLE FROM SOUTHERN RESEARCH LABORATORY, USDA, NEW ORLEANS.

POULTRY

USDA has announced new minimum requirements for sanitation, equipment and procedures in egg-breaking and drying plants operating under Government supervision. Standards worked out with industry, replace those in effect for past five years.

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DROUGHT RELIEF

Rains in some areas countered by increasing drought in others caused changes in USDA's list of drought-disaster counties last week, making some farmers eligible for low-cost feeds, removing eligibility for others, as follows:

State	Counties Added	Counties Removed	State	Counties Added	Counties Removed
Arkansas	5	9	Texas		116
Oklahoma	2	21	Missouri	11	
Kansas	23	12	Mississippi	4	
Kentucky	15		N. Carolina	16	

Drought relief program also operating in Nevada, New Mexico, Colorado. Through last week, county committees had requests for following amounts of feed: cottonseed meal, pellets, or slab, 356,535 tons; corn, 2,927 cars; oats, 2,965 cars; wheat, 167 cars; mixed feed, 40,532 bags.

MILK PRICES CONTINUE SEASONAL CLIMB. AVERAGE RETAIL PRICE IN 25 CITIES 23.1 CENTS PER QUART ONE TENTH CENT HIGHER THAN AUGUST, THREE TENTHS CENTS BELOW LAST YEAR. FARMERS' PRICE TWO TENTHS CENT ABOVE AUGUST, NINE TENTHS CENT BELOW LAST YEAR.

FRUITS AND VEGETABLES

USDA has contracted for 451,463 cases of canned tomatoes and 100,000 cases of tomato paste for school lunch program. Midwestern tomato canners sold 37,220 cases of total.

USDA has proposed regulations for marketing raisins from California; percentage of total production to be marketed depends on variety. Growers will vote at later date on acceptance of proposals.

Navel orange growers voted to accept marketing agreement which would regulate amounts and sizes of fruits shipped from southern half of California and entire state of Arizona.

New standards set for sawdust-pack grapes. Mainly affect California grapes packed for fancy trade or for export.

New USDA standards for chili sauce go into effect October 20. Provide for three grades, U.S. Fancy, U.S. Standard, and Substandard.

FATS AND OILS

U.S. fats and oils can continue to find ready market in Europe if price and quality are competitive with similar products offered by other supplying countries, concludes USDA specialist just returned from first-hand study of European market. Study made to get up-to-date information on trends in probable U.S. exports of fats and oils, especially lard, tallow, soybean and fish oil.

TO SUPPORT PRICE OF MILK TO FARMERS, USDA LAST WEEK BOUGHT 1,159,728 LBS. BUTTER, 6,441,292 LBS. CHEESE, 8,081,506 LBS. DRY MILK SOLIDS. CUMULATIVE TOTALS SINCE APRIL FIRST, 216,293,818 LBS. BUTTER, 193,985,611 LBS. CHEESE, 343,189,098 LBS. DRY MILK SOLIDS.

LIVESTOCK, MEATS

USDA bought over 11 million pounds of hamburger and canned beef during week ended September 14 to help support price of beef cattle. Average price for 6.7 million pounds canned beef was 38.94 cents; for 4.2 million pounds hamburger, 35.43¢. Meat will go to school lunch and public institutions. USDA also bought 732,000 lbs. canned beef for shipment to Germany during two week period. Contracts to date have required contractors to buy beef before November 15, with delivery during October, November, December. New contracts this week will permit buying until December 15, with delivery to end of February.

Meat production in Federally inspected plants during week ended Sept. 19 was 378 million lbs., largest since January, 20% above year ago. Cattle and calf slaughter largest since 1946, 212 million lbs. beef and 22 million lbs. veal produced.

* * *

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Food Marketing NEWSLETTER

PRODUCTION AND MARKETING ADMINISTRATION
MIDWESTERN AREA - OFFICE OF INFORMATION SERVICES --- 623 S. WABASH AVE., CHICAGO 5, ILLINOIS.

U. S. DEPARTMENT OF AGRICULTURE

September 30, 1953

LIVESTOCK AND MEATS

Cattle slaughter and beef production continue to set new records each month. Slaughter every class of cattle has increased over last year, but steer slaughter is up most. Cattle population next January will be little, if any larger than last January but is expected to include more cows.

Meat production under Federal inspection week ended September 26 estimated by USDA at 388 million lbs., 1% above previous week and 25% more than same 1952 week. Cattle marketings again liberal, equaling the preceding week which were largest since this report started over 10 years ago. Calf kill largest since 1947. Hog slaughter exceeded 1 million head for first time since April. Week's inspected meat output included (in million lbs.): beef, 212.9; veal, 23.0, pork, 137.0; lamb and mutton, 14.6.

RECENT INCREASE IN RETAIL PRICE OF BEEF AND
VEAL PROMPTS SECRETARY BENSON TO ASK BAE AND
OTHER USDA AGENCIES TO MAKE STUDY OF SPREAD BETWEEN
PRICES OF CATTLE AND RETAIL PRICES OF BEEF. SAYS
"FARMERS ARE ENTITLED TO KNOW IF THERE IS TRUTH TO
THE CHARGE THAT MARGINS ARE EXCESSIVE."

USDA purchased 10,827,275 lbs. hamburger and canned beef during week of September 27 bringing total purchases of meat products to aid livestock producers to 110,912,430 lbs. About 70 million lbs. hamburger and canned beef are scheduled for delivery to school lunch and other outlets during September, October, and November.

COMMODITY CREDIT CORPORATION

Price support loans and inventories of Commodity Credit Corporation on July 31 represented investment of \$3,549,443,000. Corporation sustained net realized loss of \$9,089,000 during July.

Net realized loss carrying out CCC support program during fiscal year ending June 30 was \$61,146,000, largely due to losses on corn (\$20,526,524), and wheat, (\$18,886,296).

Of total CCC investment July 31, losses outstanding (mostly on corn, cotton, tobacco, and wheat) amounted to \$1,176,650,000. Inventories valued at \$2,372,793,000.

Major inventory items were:(million bus.)-wheat, 468; corn, 226; oats, 14.2; flaxseed, 5.0; (million lbs.)--butter, 248.2; cottonseed oil, 808.5; cheese, 183.7; wool, 100.5; dried milk, 353.9; linseed oil, 189.5; field seeds, 339.2; cotton linters, 492.4; gum rosin, 311.6; cottonseed meal, 653.2; peanuts, 92.3. Cotton holdings totaled 235,601 bales, dry edible beans, 1,369,963 cwt.

To achieve maximum investment of private funds in CCC crop loans, USDA will now pay lending agencies (mostly country banks) who finance and also service CCC price support loans, a fee of up to 1/2% per annum for services performed, in addition to the 2-1/2% per annum now paid the agencies from the interest rate on the loans. Interest rate of 4% paid by farmers on all price support loans will remain unchanged.

CCC SOLD 1,212,270 LBS. OF WOOL DURING PERIOD
SEPTEMBER 1 THROUGH 18. SALES IN THREE MONTHS
PRECEDING SEPTEMBER 1 TOTALED 154,971 LBS., EXCLUSIVE
OF 903,551 LBS. DISPOSED OF UNDER ARMY AND YUGOSLAV
CONTRACTS. CCC STOCKS NOW APPROXIMATE 98 MILLION LBS.

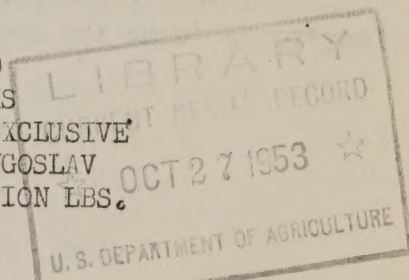
DAIRY

First resale of government-owned butter to dairy trade this season made on September 29 by Chicago FMA Commodity Office. Carlot of 29,800 lbs. 93-score butter sold to Pennsylvania firm at 69.5¢.

RESEARCH

Use of high-protein soy flour for enriching bread may help to improve American diet. Experiments by USDA research chemists at Regional Laboratory, Peoria, Illinois indicate 5% defatted soy flour can be used in loaf, thus improving ratio protein to carbohydrate. Use of soy flour does not impair loaf volume, dough-handling properties, or crumb character, and some soy flours even improve crumb colors.

The vacuum method of cooling vegetables reduces handling and shipping costs, USDA research specialist reports. However, method as developed so far, has little commercial application for fresh commodities, except lettuce.



GRAINS

U.S. exports of grains and grain products during July estimated by USDA at 37,052,000 bus. This compares with 30,637,000 bus. in July, 1952.

July 1953 exports included 26,000,000 bus. equivalent of wheat, flour, and macaroni, and 11,052,000 bus. of coarse grains. July wheat and products shipments were 6 million bus. greater than year earlier.

European countries took 59% of all July shipments; Central and South America, 4%; Far East, 26%; balance to all other countries.

U.S. sales under the International Wheat Agreement September 16 through 22 totaled 1,197,000 bus. (including 170,815 cwt. flour in wheat equiv.). Principal importing countries - Japan, Ecuador, Saudi Arabia and Phillipines. Cumulative U.S. sales under 1953-54 quotas, 24,374,000 bus.

U. S. EXPORTS OF GRAIN DURING MARKETING YEAR
ENDING JUNE 30 (REVISED FIGURES) 316,690 BUS.

WHEAT AND PRODUCTS: 177,936,000 BUS. OTHER GRAINS

AND PRODUCTS. EXPORTS YEAR EARLIER, 474,317,000 BUS.

WHEAT AND 193,402,000 BUS. OTHER GRAINS.

PMA Commodity Offices reported sales week ended September 24: corn, 2,261,360 bus.; wheat, 72,135 bus.; soybeans, 353,152 bus.; oats, 16,343 bus.; rye, 1,700 bus.; flaxseed, 4,629 bus.; peanuts, 2,149,755 lbs.; cottonseed meal, 429 tons -- allocated for drought relief, 9,413 tons. Included in above sales were 70,000 bus. corn for export.

CCC has now disposed of all but 14,705 tons of cottonseed meal and cake out of 1,194,490 tons acquired under 1952 price support operations. Sales through September 25: repurchased by crushers, 383,935 tons; domestic sales, 291,475 tons; export, 106,283 tons; allocated for drought relief, 398,074 tons.

CCC last week sold 4,000 tons castor beans for crushing. Sales of CCC-owned 1953 crop castor beans now total 7,000 tons. Additional 5,000 tons will be offered for sale in near future. Estimate of 1953-crop castor bean production 37,000 tons.

* * *

FRUITS AND VEGETABLES

USDA economists in annual Vegetable Outlook forecast continued strong demand and about same prices for vegetables in 1954; potato prices to continue low next year; acreage of dry beans probably will expand.

Export payments on honey have been reduced from 4 cents to 3.6 cents per pound. Nearly 14 million pounds of honey approved for subsidized export since last April 1.

USDA will subsidize exports of pears at rate of \$1.00 per box, resuming export program through commercial channels which operated for crops of 1949, '50, and '51.

CCC has been named as official exporter of raisins, in addition to commercial exporters. Step taken to expedite donations of raisins to foreign governments.

* * *

POULTRY

Liquid egg production during August totaled 12,991,000 lbs., about 880,000 lbs. more than August 1952 but only 1/2 of 1947-51 average for month. Dried egg output totaled 1,959,000 lbs., including 1,111,000 lbs. dried whole eggs, 460,000 lbs. dried albumen, and 385,000 lbs. dried yolk. Frozen egg production during month totaled 9,841,000 lbs. compared with 9,346,000 in August 1952 and 5 year average of 10,972,000 lbs.

* * *

OCTOBER LIST OF PLENTIFUL FOODS FOR MIDWEST: BEEF,
TURKEY, STEWING CHICKEN, CHEESE, DAIRY PRODUCTS,
HONEY, POTATOES, ONIONS, CARROTS, CABBAGE, SQUASH,
RAISINS, SALAD OILS, SHORTENING.

* * *

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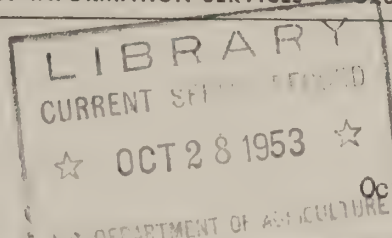
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MIDWESTERN AREA - OFFICE OF INFORMATION SERVICES

U. S. DEPARTMENT OF AGRICULTURE
623 S. WABASH AVE., CHICAGO 5, ILLINOIS.



October 7, 1953

LIVESTOCK AND MEATS

Worst phase of the beef surplus problem is about over, Agriculture Secretary Benson said at meeting of American Meat Institute, October 5. "The point has been reached where cattle production and slaughter rates are about equal. --- The American people are literally eating us out of the beef problem."

Most serious problem now is to provide market for very large number of lower grade cattle at fair prices. Industry, the trade and USDA must do everything possible to move the meat from these animals into consumption at fair and attractive prices to producer and consumer.

Total beef consumption in U.S. in 1953 expected 12 billion lbs., about 75 pounds per capita. Annual beef output expected to level at 70 lbs. per capita, Secretary Benson predicted, with the nation's cattle population leveling off at around the 94 million head on farms last January 1.

USDA last week awarded contracts for 17,804,400 lbs. of beef from low grade cattle under the drought relief purchase program. Beef for School Lunch, other eligible outlets and FOA delivery overseas. Purchases under program since July 1 total 121,429,830 lbs.

Movement of inspected stocker and feeder cattle to Midwest feedlots during August totaled 366,124 head, compared with 431,448 head in August, 1952.

MEAT PRODUCTION UNDER FEDERAL INSPECTION WEEK ENDED

OCTOBER 3 ESTIMATED 382 MILLION LBS., DOWN 1% FROM THE PREVIOUS WEEK BUT 20% ABOVE THE SAME WEEK IN 1952.

FALL HOG MOVEMENT WELL UNDER WAY, WITH MARKETINGS AGAIN

OVER MILLION MARK. CATTLE KILL SLIGHTLY UNDER RECORD

OF TWO PRECEDING WEEKS, BUT, WITH CALVES AND LAMBS

CONTINUED AT HIGH RATE. WEEK'S OUTPUT (IN MILLION

LBS.): BEEF, 208.0; VEAL, 22.5; PORK, 136.9; LAMB

AND MUTTON, 14.7.

COMMODITY CREDIT CORPORATION

CCC-owned commodities available to domestic buyers during October: butter, cheese, nonfat dry milk solids, raw linseed oil, crude and refined cottonseed oil, cottonseed meal, olive oil, peanuts, large lima beans, flaxseed, barley, rye, oats, corn, wool and 15 grass and cover crop seeds. Buyers are assured that prices of cottonseed meal and pellets (1953 production) will not be reduced before Jan. 1, 1954 and prices crude and refined cottonseed oil and specified seeds not before July 1, 1954.

Available for sale to commercial exporters during October at specific export prices: crude and refined cottonseed oil, raw linseed oil, olive oil, peanuts, corn, flaxseed and soybeans. Also available for export, at same price offered for sale to domestic buyers are following items from October domestic list: butter, cheese, nonfat dry milk solids, cottonseed meal and pellets, and some grass and cover crop seeds.

CCC offers 21 million lbs. hay and pasture, and winter cover crop seeds for export sale on negotiated price basis. Prospective buyers should contact PMA Grain Branch, Washington 25, D. C. for details by October 12.

SUGAR

Deficit of 100,000 tons in the Republic of Philippines sugar quota has been prorated by USDA to Cuba, 96,000 tons - balance to 5 other nations.

SUGAR DISTRIBUTION BY PRIMARY DISTRIBUTORS IN THE CONTINENTAL U.S. JANUARY 1 THROUGH SEPTEMBER 26 TOTALED 6,315,687 TONS. THIS COMPARES WITH 6,238,828 TONS THROUGH SEPTEMBER 27 LAST YEAR.

AGRICULTURAL PRICES

Prices received by farmers dropped 2 points (almost 1%) from mid-August to mid-September, to 256 percent of the 1910-14 average (100). Prices for truck crops beef cattle and lambs were lower, only partially offset by higher prices for milk, wheat, citrus fruit, tobacco eggs, and hogs.

At same time, index of prices paid by farmers dropped 2 points to 277 of 1910-14 average. Lower prices paid for food, feeder livestock, and livestock feed accounted for most of the decline. Parity ratio for August revised downward to 92, lowest in more than 12 years.

GRAINS

National average of price support level for 1953-crop corn will be \$1.60 same as for 1952 crop, USDA announced October 5. The \$1.60 level reflects 90% of parity on October 1.

USDA announced in February that minimum support level for 1953 crop would be at least \$1.58, based on 90% of February parity preceding earliest plantings. However, October 1 parity for corn was 3¢ per bu. higher than February.

A joint-two-day meeting of USDA's corn and wheat advisory committees will be held in Chicago, October 13 and 14 to discuss some of the price support and marketing problems these commodities have in common.

U.S. sales under the International Wheat Agreement September 23-29, totaled 1,319,000 bus. (including 553,648 cwt. flour in wheat equiv.). Principal importers were Cuba, Venezuela and Norway. Cumulative U.S. sales against 1953-54 quotas, 26,193,000.

USDA offers to buy 90,000 cwt. dry beans (pinto, pea, and Great Northern) grading U.S. No. 1 for delivery to the National School Lunch program by November 15, under GR-254. For details contact Procurement Division, Grain Branch, PMA, USDA, Washington 25, D. C.

PMA Commodity Offices report following sales week ended October 1: corn, 1,556,347 bus.; wheat, 38,974 bus.; oats, 11,965 bus.; barley, 2,650 bus.; soybeans, 340,105 bus.; flaxseed, 21,628 bus.; dry edible beans, 68 cwt.; alfalfa seed, 39,931 lbs.; butter, 59,839 lbs.; cheese, 56,128 lbs. Included in corn sales were 178,000 bus. for export.

MEXICO EXPECTS TO IMPORT ABOUT 1 MILLION BAGS OF BEANS IN THE NEXT 12 MONTHS, ACCORDING TO REPORTS RECEIVED BY FOREIGN CROPS AND MARKETS. DROUGHT HAS REDUCED MEXICAN CROPS. MEXICANS PREFER U.S. PINTO BEANS.

* * *

FATS AND OILS

Supply of peanuts August 31, excluding stocks on farms and shelled oil stock, totaled about 336 million lbs., (equiv. farmers' stock basis), compared with 339 million lbs. a year earlier, BAE reports.

USDA October 1 announced marketing quota of 673,785 tons of 1954-crop peanuts and national allotment of 1,610,000 acres. This compares with quota of 663,000 tons, and allotment of 1,678,481 acres for 1953 crop.

Peanut producers will vote December 15, 1953 in a referendum on marketing quotas for the 1954, 1955, and 1956 crops. Quotas have been in effect since 1949.

* * *

POULTRY

Poultry certified for canning and evisceration under federal inspection during August totaled 86,474,000 lbs, compared with 69,109,000 in August, 1952. Of the total, 14,436,000 lbs. were for canning and 72,038,000 lbs. eviscerated for sale. Latter accounts for nearly 20 million lbs. of the increase over 1952.

Exports of eggs in shell in 1952 totaled 42 million dozen, compared with a prewar average of 2 million dozen annually. Mexico, Venezuela and Cuba have been principal buyers of increased shipments.

Meanwhile U.S. imports of eggs in shell increased to 6 million doz. in 1952, compared to 2 million doz. average for 1946-50. Virtually all from Canada. Imports of other poultry products declined to relatively low level in 1952.

* * *

DAIRY

USDA, October 6, made 50 million lbs. cheddar cheese available to domestic agencies and U.S. private welfare agencies assisting needy persons abroad. Cheese is part of 266.5 million lb. cheese inventory acquired under price support. Most of donation will go to foreign outlets.

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623 S. WABASH AVE., CHICAGO 5, ILLINOIS.

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OCT 23 1953

October 14, 1953

GRAINS

U.S. farmers placed 239,456,416 bus. of 1953-crop wheat under price support through September 15. This compares with 262,270,840 bus. of 1952-crop put under support through September 15, 1952.

Other grains and oilseeds placed under support through September 15: (million bus.): barley, 9.0; flaxseed, 2.1; grain sorghums 2.9; oats, 19.4; rye, 1.3.

USDA on October 8 announced a national average price support of not less than \$2.20 per bu. for 1954 crop wheat. This is 90% of wheat parity as of August 15. Growers must comply with all provisions of acreage allotments and marketing quotas to be eligible. Average support rate for 1953-crop wheat is \$2.21 per bu.

USDA has announced initial acceptances of applications covering new commercial storage capacities for 110,795,203 bus. of grain, under grain occupancy guarantee program announced August 17. Through September 30 deadline for applications, Department received 984 applications covering new storage capacities totaling 530,381,930 bus. Announced acceptances are from first applications reviewed and are tentative pending receipt from warehousemen of acceptable final plans.

U.S. sales under the International Wheat Agreement September 30 through October 6 totaled 1,508,000 bus. (including 69,528 cwt. flour in wheat equiv.). Principal buyers, Germany, Saudi Arabia and Netherlands. Cumulative sales under 1953-54 quotas 27,701,000 bus.

Production red clover seed this year estimated 88.2 million lbs., 12% less than 1952, and 4% below 1942-51 average. Drought cut production.

PMA Commodity Offices report following sales October 2 through 8: corn, 2,008,567 bus.; wheat, 24,200 bus.; oats 1,544 bus.; barley, 2,283 bus.; flaxseed, 15,951 bus.; dry edible beans, 93 cwt.; peanuts, 2,311,454 lbs. Corn sales included 91,000 bus. for export.

BREAD, CAKES, COOKIES, AND OTHER TYPES BAKED GOODS
ARE IMPROVED WHEN PART OF SUGAR IN RECIPE IS REPLACED
BY HONEY, SPECIALISTS REPORT FOLLOWING THREE YEAR
STUDY UNDER USDA SPONSORED RESEARCH. REPORT AVAILABLE
FROM KANSAS STATE COLLEGE, MANHATTAN, KANS., OR EASTERN
REGIONAL RESEARCH LABORATORY, USDA, PHILADELPHIA 18, PA.

EMERGENCY DROUGHT PROGRAM

USDA State Drought Committees have placed orders with PMA Commodity Offices for 385,300 tons cottonseed meal and products, 6,790,000 bus. corn, 329,000 bus. wheat, and 7,783,600 bus. oats for sale at reduced prices to farmers in drought stricken areas of Southwest. Actual shipments to drought areas through October 10 from CCC stocks cottonseed meal and products, 307,587 tons; corn, 6,162,000 bus.; wheat 300,000 bus.; oats, 6,765,000 bus.

LIVESTOCK AND MEATS

Meat production in U.S. commercial plants (Federally inspected and other, except farm) during August totaled 1,789 million lbs., 2% below July but 13% more than August, 1952. Production in 8 months, January through August, 1953, estimated 14,812 million lbs., 9% more than same 1952 period.

The 8 month meat output included (in million lbs.): beef, 7,710 up 30% over 1952 period; veal, 887, up 39%; lamb and mutton, 458, up 16%; pork, 5,757, down 13% from 1952.

USDA awarded contracts for purchase of 9,245,470 lbs. of hamburger and canned beef products last week to bring total purchases by Department to aid market for low grade cattle to 130,675,300 lbs. since July 1. Purchases made with Section 32 funds. To fill FOA requisition for export to Greece, Department also bought 3,354,000 lbs. carcass beef (Utility grade), and 168,000 lbs. mutton.

MEAT PRODUCTION UNDER FEDERAL INSPECTION WEEK ENDED
OCTOBER 10 ESTIMATED 395 MILLION LBS., 3% ABOVE
PRECEDING WEEK AND 19% MORE THAN SAME WEEK OF 1952.
WEEK'S CATTLE SLAUGHTER ALL TIME RECORD, CALVES -
LARGEST SINCE LATE 1947, SHEEP AND LAMBS SINCE 1948,
HOGS UP SEASONALLY. OUTPUT INCLUDED (IN MILLION LBS.):
BEEF, 211.9; VEAL, 23.1; PORK, 143.7; LAMB AND MUTTON, 160.

CROPS-1953

Volume all U.S. crops in 1953 estimated by BAE, basis October 1 conditions, third largest of record, exceeded only in 1948 and 1952.

Production major grains and oilseeds (million bus.): wheat, 1,163; rye, 17.5; corn, 3,196; oats, 1,205; barley, 237; grain sorghums, 115; rice (cwt), 51; soybeans, 259; flaxseed, 39; peanuts (lbs.) 1,394.

Stocks of grains and oilseeds on farms October 1 (million bus.): corn (old crop) 334; wheat, 562; oats, 977; soybeans (old crop) 6.6; barley, 146; rye, 10.2; flaxseed, 22.5; sorghum grain (old crop) 3.4.

More 1953 crops: (million bus.) apples, 97.3; pears, 28.9; peaches, 63.9; potatoes, 374; grapes (million tons), 2.8; cranberries (million bbls.) 1.2; tobacco (million lbs.) 2,033; cotton (million bales), 15.6; hay (million tons) 105.6.

* * *

DAIRY

Milk production on U.S. farms during September estimated 9,219 million lbs., 1% above year earlier and slightly above average for month. Production per cow continued at near record levels. However, farmers reporting were milking only 68.6% of their herds, same as last year and lowest for date since 1944.

Outlook issue of Dairy Situation (BAE) predicts 1953 milk output at around 118 billion lbs., and about same for 1954. However, dairy products with whole milk equivalent of 8.5 billion lbs. will be carried over to 1954 to bring year's total estimated milk supply to 126.5 billion lbs.

With consumer demand expected to continue at 1953 level and federal price supports expected to be lower, 1954 outlook for dairy farmers indicates lower prices. Cash receipts from dairy marketings expected to drop below \$4 billion, about 5% from \$200 million less than 1953. Prices received by dairy farmers have dropped 13% in last 12 months.

* * *

ESTIMATED 11,299,000 PERSONS WERE WORKING ON U.S. FARMS NEAR END OF SEPTEMBER, SEASONAL PEAK OF FARM EMPLOYMENT YEAR. FAMILY WORKERS NUMBERED 8,231,000, hired workers 3,068,000.

* * *

POULTRY

Chicken flocks on U.S. farms laid 4,206 million eggs in September, record high for month, 3% more than September, 1952 and 20% above the 1942-51 September average.

Nation's flock averaged 321 million layers during the month, about same as last year but 1% above average. Potential layers on October 1 numbered 484,721,000 hens and pullets, 1% above year ago, but 10% under average.

* * *

COTTON

U.S. 1953 cotton crop estimated October 1 at 15,596,000 bales, up 437,000 bales over September 1 forecast. Total compares with 15,136,000 bales of 1952 crop and average of 12,215,000 bales.

With cotton stocks far above normal requirements, Secretary of Agriculture Benson on October 9 proclaimed a national marketing quota of 10 million bales and a national allotment of 17,910,448 acres for 1954 cotton crop. The 10 million bales represent the "minimum" quota provision of law. Harvested acreage of 1953 crop was 23,737,000 acres.

SECRETARY ALSO ANNOUNCED THAT A NATIONAL COTTON MARKETING QUOTA REFERENDUM WILL BE HELD DECEMBER 15, 1953. AT LEAST 2/3 OF COTTON FARMERS VOTING IN THE REFERENDUM MUST APPROVE THE QUOTAS TO MAKE THEM EFFECTIVE. IF THEY DO, COTTON PRODUCED BY COOPERATORS WILL BE SUPPORTED AT 90% OF PARITY. IF QUOTAS NOT APPROVED BY 2/3 MAJORITY, SUPPORT ON CROP WILL DROP TO 50% OF PARITY.

* * *

After the first of January, 1954, the parity for private sale to export will be the same as the parity for private sale to domestic consumption.

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U. S. DEPARTMENT OF AGRICULTURE

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CURRENT SERIAL RECORD

October 20, 1953

COMMODITY CREDIT CORPORATION

★ OCT 28 1953

Price support program loans and inventories of CCC as of August 31 amounted to \$3,742,393,000. Corporation showed net realized loss of \$27,761,167 carrying out programs July and August, 1953.

Loans outstanding represented \$1,326,283,000 of total investment. Inventories acquired under loan, purchase agreement or direct purchase were valued at \$2,416,110,000.

CCC has placed outstanding price support loans, other than cotton, in a pool totaling \$360 million, in move to broaden participation in financing CCC price support loans. Commercial banks may participate by making funds available to CCC at the Federal Reserve Bank of Chicago, in return for certificates bearing 2½% interest rate. Certificates mature August 2, 1954 but will be repurchased by CCC prior to maturity upon demand.

GRAINS

Wheat Industry Advisory Committee, following joint meeting with Corn Industry group in Chicago, October 13 and 14, recommended two-price plan for supporting price of wheat to growers, to Agriculture Secretary Benson. Plan would provide full parity price for grower's share of national consumption of wheat for food and market price for balance, with no restrictions on production.

Plan would be completely self-financing. Government would give producer a certificate for his share of U.S. wheat consumed as food. Value of certificates would represent difference between estimated support level and estimated average farm price. Farmer would sell all wheat at market price. In turn, flour millers would buy milling certificates from government for quantity wheat used to make flour for domestic market, and this money would be used to redeem producers' certificates.

U.S. sales under the International Wheat Agreement, October 7-13, totaled 597,000 bus. (including 178,112 cwt. flour in wheat equiv.). Cumulative U.S. sales against 1953-54 quotas, 28,298,000 bus.

U.S. EXPORTS OF FARM PRODUCTS DURING JULY VALUED
\$196,463,000 ABOUT SAME AS JUNE BUT 35% ABOVE JULY,
1952. WHEAT AND WHEAT PRODUCTS SHIPMENTS TOTALED
\$55.2 MILLION; COTTON, \$21 MILLION; CORN, \$16.5 MILLION;
TOBACCO AND RICE, \$14 MILLION EACH. LARD EXPORTS HELD
STEADY DURING MONTH AND TALLOW INCREASED OVER PRECEDING
YEAR.

LIVESTOCK AND MEATS

Number of cattle on feed October 1 in Illinois, Iowa, and Nebraska was 1,325,000 head, 3% more than October 1, 1952. Number was down 3% from year ago in Illinois, down 5% in Nebraska, but up 10% in Iowa. Three state totals: Illinois, 320,000; Iowa, 693,000; Nebraska, 312,000. Feeders intend to market 76% of cattle by end of year, survey discloses.

USDA last week awarded contracts for purchase of 13,692,985 lbs. hamburger and canned beef, to bring total meat products purchased by USDA since July 1 under program to 147,140,285 lbs.

After 4 year expansion in cattle numbers, upswing has been halted, BAE believes. Estimated cattle and calf slaughter in 1953 will total 36 million head, about equal to number of calves, raised, less death losses.

Slaughter rate is expected to continue high in 1954 but average slaughter weights will be lighter and per capita beef consumption is expected to drop a little from the record 75 lbs. of 1953. Supply of fed beef next year will probably be smaller than 1953, especially in the first half of year, but supply of grass beef will be as large as this year.

MEAT PRODUCED UNDER FEDERAL INSPECTION WEEK ENDED
OCTOBER 17 ESTIMATED AT 383 MILLION LBS., DOWN 3%
FROM PRECEDING WEEK BUT 7% ABOVE SAME WEEK OF 1952.
CATTLE SLAUGHTER AGAIN EQUALLED THE RECORD HIGH OF PREVIOUS
WEEK; CALF SLAUGHTER LARGEST OF YEAR. WEEK'S OUTPUT
INCLUDED (IN MILLION LBS.): BEEF, 211.9; VEAL, 24.2;
PORK, 131.7; LAMB AND MUTTON, 15.2.

COLD STORAGE HOLDINGS

Cooler Commodities	Holdings Sept. 30	Net Change during Sept.	Freezer Commodities	Holdings Sept. 30	Net Change during Sept.
	1,000 lb.	1,000 lb.		1,000 lb.	1,000 lb.
Apples	395,088	+ 370,656	Cream	21,437	- 7,573
Pears	243,850	+ 87,600	Butter, Creamery	323,693	-11,160
Other fresh fruits	66,864	+ 18,211	Eggs	110,056	-23,371
Fresh vegetables	51,155	+ 31,684	Poultry	175,763	+ 48,423
Dried & evap. fts.	33,921	- 8,560	Fruits	368,830	+ 17,598
Nuts & nut meats	63,028	-35,588	Juices	207,513	- 43,256
Cheese	459,405	+ 13,830	Vegetables	675,011	+ 101,410
Other dairy prod.	135,139	- 2,093	Beef	135,094	+ 1,139
Shell eggs	22,275	- 14,940	Veal	12,468	- 72
Dried eggs	2,958	- 942	Pork	109,059	-56,600
Beef	7,816	+ 639	Lamb & mutton	9,892	+ 432
Pork	89,018	-11,304	Edible offal	47,991	-6,304
Sausage	8,858	- 587	Sausage	5,318	- 540
Canned meats	26,323	-6,944	Miscellaneous	220,851	+ 3,340
Miscellaneous	229,871	-4,485			
Total	1,835,569	+437,177	Total	2,422,976	+ 23,466

Occupancy September 30: cooler, 65%, 2 points above average; freezer, 79%, 5% above average for date. Frozen fruits 41 million lbs. above year ago and 30 million over 1948-52. Vegetables in freezers at all time record and 1/6th greater than previous high. Beef holdings 29 million lbs. under year earlier but 46 million above average for date. Pork 92 million lbs. under last year and 61 million below average. Stocks American cheddar at all time record high. Butter withdrawals exceeded net accumulations first time this year.

SUGAR

USDA October 13 announced increase of 100,000 tons in 1953 sugar quotas to bring total to 8,100,000 tons, raw value. Of increase, Cuba received 96,000 tons, and full duty countries 4,000 tons.

Sugar distribution in the U. S. January through September was about 128,000 tons higher than in same 1952 period. Distribution for 1952 as a whole was 8,104,000 tons.

A hearing on sugar requirements for 1954 will be held in the Thomas Jefferson Memorial Auditorium in USDA's South Building, Washington, November 16. Interested persons may present views and arguments in person or in written statements submitted to Director, Sugar Branch, PMA, USDA, Washington.

DAIRY

Private welfare organizations last week ordered more than 31 million lbs. of USDA's stocks of surplus dairy products for distribution to needy persons overseas. Total orders from welfare organizations now exceed 110 million lbs. and include: butter, 32,145,000 lbs.; cheese, 1,800,000 lbs.; nonfat dry milk solids, 77,786,880 lbs.

FRUITS AND VEGETABLES

The 1953 honey export program was terminated by USDA October 17. Termination does not affect honey already approved for export. Approved applications since April 1 amount to about 25 million lbs.

FALL PRODUCTION OF PRINCIPAL VEGETABLES FOR THE FRESH MARKET EXPECTED TO BE ONLY 2% LESS THAN LAST YEAR AND 1% ABOVE 1949-51 AVERAGE. TOTAL INDICATED 1953 PRODUCTION OF WINTER, SPRING, SUMMER AND FALL VEGETABLES AND MELONS FOR WHICH FORECASTS ARE MADE BY BAE (ABOUT 99% OF ALL OUTPUT), IS 10 MILLION TONS, 5% ABOVE 1952 AND 4% MORE THAN THE 1949-51 AVERAGE.

Actual firm days return

see

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Food Marketing NEWSLETTER

PRODUCTION AND MARKETING ADMINISTRATION

MIDWESTERN AREA - OFFICE OF INFORMATION SERVICES --- 623 S. WABASH AVE., CHICAGO 5, ILLINOIS.

U. S. DEPARTMENT OF AGRICULTURE

NOV 10 1953

U. S. DEPARTMENT OF AGRICULTURE

October 28, 1953

GRAINS

U.S. quotas for 1953-54 under International Wheat Agreement have been established at 209,558,085 bushels. Quantities for individual exporting countries agreed upon at meeting of International Wheat Council in Madrid, Spain, October 21-23. Canada's quota is 163,230,880 bus., Australia, 48,000,000 bus., and France, 367,437 bus.

U.S. sales under 1953-54 quotas through October 20 totaled 30,606,000 bus. Sales in the week ended October 20 amounted to 2,308,000 bus. (including 217,167 cwt. flour in wheat equivalent.)

Price supports for oats, barley, rye, and grain sorghums produced in 1954 will be at 85% of parity, same percent as last year, but actually lower due to application of "transitional parity" features of modernized parity formula.

Here are national average support rates for 1954 crops, and the 1953 average supports, respectively: oats, 75¢ and 80¢; barley, \$1.15 and \$1.24; rye, \$1.43 and \$1.43; grain sorghums, \$2.28 per cwt. and \$2.43. Rye levels are unchanged because "transition" completed last year.

Grain stocks in all positions October 1 (million bus.): wheat, 1,539, all-time record high; corn (old crop), 764, exceeded only in 1949 and 1950; oats, 1,064, smallest for date since 1947, but only 6% below average; barley, 232, smallest for date, except 1952, in 11 years of record; rye, 20.3, about 56% above year ago but average; grain sorghums, 7.3, smallest for date except 1947 and 1948, in 7 years of record.

Through October 23, USDA tentatively accepted applications for participation in the grain occupancy guarantee program totaling 136,340,453 bus. storage capacity. Additional applications being reviewed.

TERMINATION OF RICE EXPORT ALLOCATIONS (IN EFFECT SINCE SEPTEMBER 1952), ANNOUNCED BY USDA OCTOBER 23. ARMISTICE IN KOREA HAS REDUCED ARMY REQUIREMENTS THERE, AND U.S. STOCKS NOW ADEQUATE FOR ALL NEEDS.

COMMODITY CREDIT CORPORATION

CCC's initial offering of certificates of Interest in a pool of commodity price support loans totaling \$360 million, was heavily over-subscribed. Applications from 2,923 U.S. banks totalled \$2,150,304,000. In view of over-subscription, applications up to \$50,000 will be allotted in full- those over this amount, on basis of 13 $\frac{1}{2}$ % of application, except that no allotment will be less than \$50,000.

Price support operations in 4 commodities accounted for bulk of CCC August 31 investment in loans outstanding of \$1,326,283,000. They were: corn, 293 million bus.; wheat, 240 million bus.; cotton, 1.8 million bales; tobacco, 500 million lbs.

CCC inventory of commodities acquired through price support valued at \$2,416,110,000, as of August 31. Holdings included 471 million bus. corn, 225 million bus. wheat, 263 million lbs. butter, 221 million lbs. cheese; 845 million lbs. cottonseed oil, 190 million lbs. linseed oil, 100 million lbs. wool, 136 million lbs. dry beans.

LIVESTOCK AND MEATS

USDA contracts for purchase of beef and beef products last week totaled 22,811,946 lbs. Purchases since July 1 under program to provide market outlets for low grade cattle from drought areas, now total 178,949,271 lbs. Last week's acquisitions included: carcass beef (utility grade) for export to Greece under FOA requisition: 2,573,000 lbs.; for school lunch and other domestic outlets; canned beef, 17,797,946 lbs.; hamburger, 2,441,000 lbs.

Purchase contracts require procurement of cattle during heavy marketing season, up to December 15. About 530,000 head of cattle required to fill Department's beef contracts.

MEAT PRODUCED UNDER FEDERAL INSPECTION WEEK ENDED OCTOBER 24 ESTIMATED 384 MILLION LBS., ABOUT SAME AS PREVIOUS WEEK BUT 9% ABOVE SAME WEEK OF 1952. CATTLE RECEIPTS DOWN 6% FROM PRECEDING WEEK BUT STILL 27% ABOVE YEAR AGO. WEEK'S OUTPUT (MILLION LBS.): BEEF, 198.5; VEAL, 22.5; PORK, 148.1; LAMB AND MUTTON, 14.7.

PMA Commodity Offices' sales, week ended October 22: corn, 2,293,484 bus.; wheat, 60,178 bus.; barley, 3,242 bus.; oats, 1,140 bus.; butter, 505,433 lbs.; cheese, 462,866 lbs.; peanuts, 1,200,000 lbs. Included in above sales were 80,000 bus. corn for export.

DROUGHT

Railroads serving drought areas in 13 states of South and West have reduced rates on shipments of hay into disaster areas until November 16.

Shipments of grains and cottonseed feed for sale at reduced rates through county agricultural committees continue at rapid rate.

Through October 16, PMA Commodity Offices had shipped 318,962 tons cottonseed meal and pellets, 6,686,000 bus. corn, 304,200 bus. wheat, and 7,172,000 bus. oats to drought areas.

Movement of hay into drought areas will be expedited by a cooperative federal-state program under which USDA will make funds available to states for payment of part of costs of hay transportation. States, in addition to providing some funds, would be responsible for hay procurement and distribution. Hay will be available to eligible farmers at prices substantially below the market.

* * *

FATS AND OILS

National average support price of 1954-crop flaxseed grading No. 1 will be \$3.14 per bu., reflecting 70% of September 15 parity. This rate compares with \$3.79 per bu., equivalent to 80% of parity for 1953-crop flaxseed.

Support level lowered because current supply of flaxseed and linseed oil is enough to meet U. S. requirements for 2 years. CCC alone has nearly 150 million lbs. linseed oil in inventory, in addition to 300 million lbs. now held under provisions of Defense Production Act.

Record supplies of food fats are in prospect for 1953-54 mainly because of large carryovers of edible oils and butter. Production of lard and edible oil in year ahead expected to drop considerably, and some decline in butter output likely. Total disappearance in 1953-54 probably will be greater than production, with some decline in stocks. Increase in exports probable. Prices through next spring, steady.

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HOW THE U.S. SUGAR PROGRAM OPERATES TO HELP INSURE
CONSUMERS ADEQUATE SUPPLIES AT REASONABLE PRICES,
AND TO MAINTAIN A STABLE DOMESTIC INDUSTRY IS
EXPLAINED IN BULLETIN "THE U.S. SUGAR PROGRAM,"
AVAILABLE FROM OFFICE OF INFORMATION SERVICES,
PMA, USDA, WASHINGTON 25, D.C.

* * *

FRUITS

USDA will soon inaugurate program to encourage exports of fresh and processed oranges and grapefruit. Shipments of processed products may begin October 31 and fresh oranges and grapefruit on November 15. Exporters will be paid flat rates for each eligible product, including \$1 per box for fresh oranges, \$0.75 per box for fresh grapefruit. Eligible destinations include principal European countries (except citrus producers). Provisions are slightly different than previous programs.

* * *

POULTRY

Looking ahead, BAE's Poultry Situation foresees an egg laying flock at the start of 1954 about as large as year earlier. Egg production next year will probably be larger than 1953, particularly if there's a large replacement hatch next spring. Flock replacement will probably exceed the 615 million chickens raised by farmers this year.

Egg prices through next spring may fall a little below high levels of 1953. Broiler production expected to increase a little, with prices averaging close to those of 1953. Turkey outlook still depends on disposition of 1953 flock.

Gross farm income in 1953 from eggs and poultry now indicated at \$4 billion--probably about same in 1954.

Chicks produced by commercial hatcheries during September numbered 84.9 million, 6% above year earlier and about 50% above 1947-51 average. Total hatch first 9 months this year, 1,537 million, 4% above same months of 1952.

* * *

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